

## **2012 School Funding Formula and Other Information**

Office of School Finance  
June 30, 2011

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## **Agenda**

- 1) 2012 and 2013 School Funding  
Formula**
- 2) Legislation**
- 3) Other Items**
- 4) Contacts**

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## **2011 Workshop Packet**

- School Corporation Employee Health Coverage
- Choice Scholarship
- Presentation Data Collection

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**2011 Workshop Packet**

- Presentation
- Funding Formula Worksheet
- Overview of 2012 State Tuition Support
- SFSF LEA Assurance Letter
- Central Contractor Registration
- 2012 D0E-ME, SR and InTERS Form 30A
- CTE Crosswalk
- Textbook Reimbursement Memo
- 2011 Regular Summer School Final Report
- Consolidated Purchasing Survey

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**2012 and 2013  
SCHOOL FUNDING FORMULA**

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**Overview**

- ADM
- Previous year revenue
- Basic Tuition Support
- Honors Diploma Grant
- Special Education Grant
- Career and Technical Education Grant
- Prime Time
- Restoration Grant
- Small School Grant

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**ADM (Membership Count)**

- Count day: **September 16, 2011**
- Collection window: 9/16/11 - 9/28/11
- Cleanup & restricted period begins 9/29/11 at 8 a.m. and ends 10/03/11 at 11:59 p.m. (EDT)
- Signoff only begins 10/4/11 at 8 a.m. and ends 10/6/11 at 11:59 p.m. (EDT)
- **Note: Membership also includes FDK**

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**SR (Student Residence)**

- Count day: **September 16, 2011**
- Collection window: 9/16/11 - 9/28/11
- Signoff only begins 09/29/11 at 8 a.m. and ends 10/03/11 at 11:59 p.m. (EDT)
- Signed copy mailed to the Office of School Finance

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**Section A: Previous Yr. Revenue**

- For 2012, the formula uses the following variables to determine previous year revenue:
  - Prior year Basic Tuition Support actually received
  - Prior year Restoration Grant
  - Prior year Small School Grant
- Eliminates the PL874 loss adjustment

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### Section B: ADM

- For 2012, the formula uses the following variables to determine adjusted ADM:
  - Actual 2010-2011 ADM
  - Actual 2011-2012 ADM

The formula does not use the 3-year ADM average in the calculation of adjusted ADM.

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### Section C: Basic Tuition Support

- Updates the free and reduced lunch percentage used in the formula to the 2010-2011 percentage for CY12 and CY13;
- Changes the free and reduced funding level in the complexity index from \$2,241 for CY11 to \$2,129 in CY12 and \$2,190 in CY13.
- Changes the foundation grant amount to \$4,280 in CY12 and \$4,405 in CY13;

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### Section C: Basic Tuition Support

- Base index number used to compute the complexity adjustment is increased from 1.25 in CY11 1.28 in CY12 and 1.31 in CY13;
- Amends the transition to foundation calculation

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### Section C: Basic Tuition Support

- Adjusts CY12 and CY13 current year target revenue based on a schools' ADM
  - \$0 per student increase for an ADM of less than 500
  - \$150 per student increase for an ADM between 500 and 1000
  - \$150k/ADM = per student increase for schools whose ADM is greater than 1000
- Divides by 7 in CY 12 and by 6 in CY13 in the transition to foundation calculation;

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### Section C: Basic Tuition Support

- Virtual charter school
  - Funds a virtual charter at 87.5% of the foundation amount multiplied by the ADM; and
  - Allows a virtual charter to receive special education funding from the formula
- Tuition Support Special Distribution
  - Based on savings in tuition support from Choice Scholarship Program.
    - Savings dependent on what level of funds the choice scholarship provides students.

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### Section D: Honors Diploma Grant

- Allows honors funding for:
  - Students who received an academic honors diploma in the 2010-2011 school year for CY12 and 2011-2012 school year for CY13; and
  - Students who received a Core 40 diploma with technical honors in the 2010-2011 school year for CY12 and 2011-2012 school year for CY13.

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**Section E: Special Education Grant**

- Allows a virtual charter school to receive special education funding;
- No other changes were made for CY12 or CY13

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**Section F: Career and Technical Education Grant**

- No changes for CY12 or CY13.
- DWD removed CIP codes from the crosswalk information.

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**Section F: Career and Technical Education Grant**

- Submission of CT enrollments via the InTERS30A system from September 16 through October 17
- No new enrollment submissions will be allowed after Oct. 1<sup>st</sup> but corrections will be accepted until November 1.

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### Section F: Career and Technical Education Grant

- Notifications of new CTE courses and programs were due by June 1 in order to be included in the fall 2011 count.
- Fall training sessions run July through September
  - For dates and sites, contact Brin Sisco at [bsisco@dwd.in.gov](mailto:bsisco@dwd.in.gov)

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### Section G: Prime Time

- Prime Time funding remains for CY12 and CY13;
- Phases out the 1999 Prime Time minimum guarantee over two years;
  - Uses 50% of 1999 funding in CY12; and
  - Uses zero in CY13.
- In determining pupil/teacher ratio, the upper limit of the complexity index is increased from 1.2 to 1.3 with the lower limit remaining at 1.1.

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### Restoration and Small Schools Grant

- The Restoration and Small School Grants are no longer part of the CY12 and CY13 funding formula.

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## Funding Formula Estimates

- DOE has to provide school corporation and exclusive representative (parties) with an estimate of general fund revenue available from the school funding formula before August 1 of the first year of a state budget biennium.

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## Legislation

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## PL229- Various

- Creates a new Charter School Startup Grant for charters established and enrolling pupils after June 30, 2011.
- Allows a virtual school (VS) to apply for sponsorship with any statewide sponsor.
  - The VS would receive state funding
- Eliminates the 500 student limit on enrollment for virtual charter schools.

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**PL229- MD Early Scholarship Grant**

- Applies to a student who graduates from high school before Grade 12.
  - Provides for a \$4,000 scholarship
- Student must meet certain requirements
- Scholarship paid from tuition support funds
- State Student Assistance Commission administers the program

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**PL229- MD Early Scholarship Grant**

- Requires State Board of Education to amend rules to facilitate a student graduating from high school in less than seven semesters and be allowed to participate in early college, dual credit, or dual enrollment program in high school.

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**PL229-Textbooks**

- Textbook reimbursement to a school or an accredited nonpublic school will be computed on a per pupil basis rather than the actual cost of textbooks.
- Eliminates references to reimbursements based on 20% and 100% of costs incurred.
- Maintains a statewide appropriation of \$39m for FY12 and CY13.

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## PL48- Capital Projects Fund

- IC20-40-8-19. Amended effective 7/1/11 to allow continuation of expenditures for utility services, property or casualty insurance, or both from the capital projects fund until December 31, 2013.
  - Expenditures cannot exceed 3.5% of the school corporation's 2005 calendar year distribution.

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## PL91 Charter Schools

- **Charter Schools**
  - Outlines funding for virtual charter schools
  - Establishes a process by which charter schools may lease or purchase unused, closed, or unoccupied school buildings that are maintained by school corporations and are not being used for classrooms.
  - Permits State Board of Education to close a charter school, transfer sponsorship, or reduce fees collected by a sponsor if the charter school is in the lowest performance category or designation for five years.

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## PL91 Charter Schools

- Permits State Board of Education to suspend the authority of a sponsor if at least 25% of the sponsor's schools have been subject to accountability action.
- Establishes accountability criteria for charter school sponsors and places charter schools under accountability standards for public schools.
- Allows a virtual charter schools to seek sponsors.
- Provides that at least 60% of the students who are enrolled in virtual charter schools for the first time must have been included in the state's ADM count for the previous school year.

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### PL91 Charter Schools

- Establishes the charter school facilities assistance program and fund as well as the purposes for which grants/loans in the fund may be used.
- Allows charter schools that received a common school loan advance for operational costs to not have to make principle or interest payment during FY12 and FY13.
- Creates a seven member Charter Board.
- Requires DOE to establish a charter school web page on its' web site.

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### PL172- Transparency

- Requires DOE , IOT, DLGF, SBOA, and OMB to work together to post public school information on IN Transparency Portal
  - DOE may not charge fee for access to information
- Must provide an electronic report to State Board of Finance and legislative council by November 15 on progress to comply.

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### PL172 Transparency

- Data includes:
  - Amount, date, payer and payee of expenditures
  - Listing of expenditures by personal services, other operating expenses, or total operating expenses;
  - Listing of fund balances;
  - Listing of real and personal property owned by the public school; and
  - report required under IC 6-1.1-33.5-7 (DLGF expenditures)

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### PL73 Textbooks

- Expands the definition of textbook.
- Adds a definition for curricular materials
- Requires DOE to review curricular materials, evaluate and align the material to state academic standards and publish the reviews, which governing bodies may use in making decisions re: textbook adoption

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### PL73 Textbooks

- Removes the authority of the State Board of Education to adopt a list of approved textbooks; and
- Requires the governing body of each school corporation to adopt textbooks for the school.
- Contact is Alyson Luther at [aluther@doe.in.gov](mailto:aluther@doe.in.gov)

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### Other Items

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### **SFSF LEA Assurance Letter**

- Superintendent of Local Education Agency (LEA) signs acknowledgements and assurances related to the use of Education Stabilization Funds.
- Signed form due by July 15 to the DOE Finance Division.

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### **Central Contractor Registration**

- Recipients of ARRA funds must annually register in the Central Contractors Registration.
  - Registration must be completed by 7/15/11
  - Link is: <http://www.ccr.gov>
- DOE contact for questions is Joseph at: [jcgurule@doe.in.gov](mailto:jcgurule@doe.in.gov)

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### **I512 Reporting**

- Reminder that I512 Reporting is due on Thursday, July 7<sup>th</sup>!

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### Textbook Reimbursement

- Payment for the 10-11 school year was made January 28 using a reimbursement rate of 81.9379164%
- Beginning with 11-12, the state reimbursement will be on a per student basis using the number of eligible students and the available appropriation.
  - Costs must still be reported.

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### Debt Service Fund Levy for Unreimbursed Textbook Expense

- Allowable for payment of all unreimbursed costs of textbooks for the school corporations students who were eligible for free/reduced lunches in the previous school year.
  - Amount raised can be transferred to textbook rental fund or extracurricular account.
- Must plan ahead as part of 2012 budget process.

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### Summer School

- Estimate of costs were due to the Department on April 1, 2011
- OSF provided estimates of state reimbursement May 13.
- Final report due September 16, 2011
- Final reimbursement will be in November
- Electronic submission is the only submission required for summer school

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### Consolidated Purchasing Survey

- Consolidated Purchasing Survey should be available through the end of July
  - Each school corporation completes the report using the on-line tool.
  - DOE provides the results to the Board of Education and to the Governor's office by Nov. 1

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### Form 9 Program

- Updating the program to a web-based program
- Will allow each school the ability to load Form 9 data
  - Uses Corporation and PIN number
  - Generates a certification page upon successful completion of the data load
  - Signals where the school is in the process
    - Red, yellow, and green
- Locks the file at the end of the submission period
  - Can do multiple submissions during the time frame for accepting files

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### Form 9 Program

- Provides OSF with the ability to allow restricted access, if necessary, after the closing period as files are reviewed.
- Allows OSF to send targeted emails to schools
  - Notification of missing data
- Provides schools, taxpayers and other interested parties the ability to print reports or extract data in excel.
- OSF can
  - Internally track changes
  - PDF reports from email link
  - Respond via an email address specific to Form9

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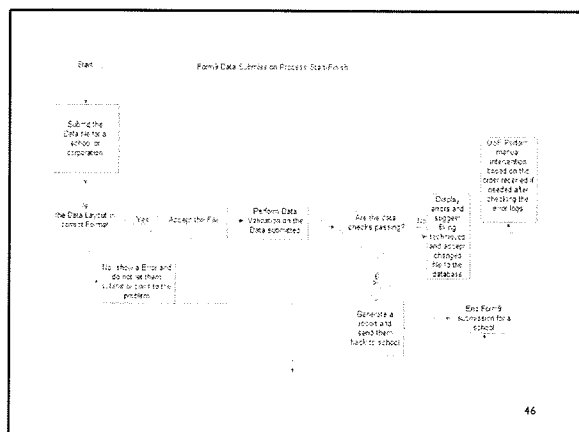
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## Full Day Kindergarten

- Notice of Intent to Participate in Superintendents mail in May 2011 – no intent may mean no funding.
- Grant application deadline was 5 p.m. on June 17.
- Grant distribution should occur in December.
- FDK students are reported on the ME report
  - If the students are not identified as FDK on the DOE-ME, you will not be funded for FDK students!
  - There is a separate count showing the number of FDK students above the signature line for the superintendent.
    - Having a K-count is not the same as having a FDK count.

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## Full Day Kindergarten

- 2010-2011 reimbursement was \$1,029.46 per 56,826 Kindergarten students.
- FY12 and FY13 appropriation increased from \$58.5m to \$81m



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### Remediation and Preventive Remediation Grant Program

- GQE information was due June 3
  - Payment was made June 17<sup>th</sup>
- Remediation information was due June 13th
  - Payment to be made end of June.

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### Annual Financial Report

- Annual Financial Report
  - Required under IC 5-3-1-3
  - Published one time not earlier than August 1 or later than August 15
  - Copy of report due on or before August 31 to the Office of School Finance

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### Education Jobs Fund

- Expend funds by September 30, 2012
- Reimbursement based
  - Payment made two times per month
  - Deposit funds in 7965- Education Jobs, using Receipt Account 4581
- Education Jobs interest earned column added to other interest earned fund report.
  - Should not have interest!

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### Education Jobs Fund

- May not use for costs incurred before August 10, 2010, which is the date of the Act.
- May not use funds for administrative costs.
- May use funds for educational and related services.
  - Compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary or secondary educational and related services.

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### Contact us:

- **Web:** [www.doe.in.gov/finance](http://www.doe.in.gov/finance)
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  - Melissa at [mambre@doe.in.gov](mailto:mambre@doe.in.gov)
  - Kaitlin at [kboldt@doe.in.gov](mailto:kboldt@doe.in.gov)
  - Teresa at [themmerle@doe.in.gov](mailto:themmerle@doe.in.gov)

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